

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1960-01
Bill No.: HB 834
Subject: Education, Higher; Health Care Professionals; Health Department
Type: Original
Date: March 5, 2001

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Medical School Loan and Loan Repayment Program	(Unknown)	(Unknown)	(Unknown)
Total Estimated Net Effect on <u>All</u> State Funds	(UNKNOWN)	(UNKNOWN)	(UNKNOWN)

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
None			
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 3 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Insurance**, the **Missouri Consolidated Health Care Plan**, the **Department of Social Services**, the **Department of Conservation**, and the **Department of Transportation** assume this proposal would not fiscally impact their agencies.

Department of Health (DOH) officials state there would be no fiscal impact as the amount of loan repayments made would be determined by the funds appropriated by the General Assembly for such purpose. DOH states that existing loan repayment staff and processes are in place to provide the services to dentists.

Oversight assume this proposal would expand the current medical school loan repayment program to include dentists. **Oversight** assume an unknown cost to the state.

Officials from the **Department of Public Safety - Missouri State Highway Patrol** did not respond to our fiscal impact request.

<u>FISCAL IMPACT - State Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
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HEALTH PROFESSIONAL STUDENT LOAN AND LOAN REPAYMENT FUND

<u>Costs - Department of Health</u>			
Program cost for dentists	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>

ESTIMATED NET EFFECT ON HEALTH PROFESSIONAL STUDENT LOAN AND LOAN REPAYMENT FUND	<u>(UNKNOWN)</u>	<u>(UNKNOWN)</u>	<u>(UNKNOWN)</u>
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<u>FISCAL IMPACT - Local Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This proposal would rename the Medical School Loan Repayment Program as the Health Professional Student Loan Repayment Program and expands its scope to include dentists. The criteria for areas of defined need would be revised to remove the patient ratios, poverty and age percentages, and distance requirements to hospitals and would be replaced with designation as shortage areas by the U.S. Department of Health and Human Services or a determination of extraordinary need by the Director of the Department of Health. The maximum amount of repayment assistance would be revised from its current level of \$20,000 per year of obligated service to an amount not exceeding the maximum allowed under the National Health Service Corps Repayment Program. For students who breach their service obligation contracts, the penalty would be changed from \$500 per month of service not completed to include damages incurred by the Department of Health resulting from the breach and legal fees and costs incurred in the collection of damages.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Insurance
Missouri Consolidated Health Care Plan
Department of Social Services
Department of Conservation
Department of Transportation
Department of Health

NOT RESPONDING: Department of Public Safety - Missouri State Highway Patrol



Jeanne Jarrett, CPA
Director
March 5, 2001